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ABSTRACT

Changes in financial support patterns in four southern states over the course of major school desegregation were examined for the period from the late 1960s through the mid 1970s. The states included in the study were Alabama, Louisiana, Mississippi, and South Carolina, those States with the largest proportion of black children in the country. The study focused specifically on revenues available from state-local revenue systems and on revenues from the federal government. Data on the following areas were analyzed: (1) minority enrollments before and after desegregation; (2) changes in financial support over the period of desegregation; (3) impact of the state-local revenue structure on majority black school districts; (4) changes in local and state support during desegregation; (5) impact of federal revenues on the state-local system; and (6) the financial position of the cities. The study determined that there was some relationship between desegregation and local support for public schools in majority black school districts. In all four states, local revenue ratios in majority black districts declined over the course of the desegregation period, yet the financial position of almost all of the large cities in the four states showed some improvement. (Author/APM)

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School Desegregation and Financial Support for the Public Schools in Four Southern States

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Since the 1954 Supreme Court decision in Brown v. Board of Education, school desegregation has been one of the most important issues of educational policy. It has also been the subject of considerable study by both social scientists and educators. However, with the exception of a few studies, there has been very little research which examines the relationship between school desegregation and financial support for public education. A critical question in this context is whether school desegregation differentially affects school districts with different proportions of minority children. Are financial support levels in school districts with higher proportions of minority children more adversely affected by school desegregation than districts with lower percentages of minority children?

This study examined the changes in financial patterns which occurred in four Southern states over the course of major school desegregation. The period of the analysis was from the late 1960's (1968-69) through the mid-1970's (1975-76), since, with the exception of some modest desegregation which took place before this time (as a result of freedom of choice and other token plans), large-scale desegregation did not occur until the 1969-70 and 1970-71 school years. The states included in the study were Alabama, Louisiana, Mississippi, and South Carolina — four states with the largest proportion of black children in the country.

A study of the interaction between desegregation and educational finance could focus on changes on a range of educational input measures, including educational expenditures or revenues, or more narrowly, specific educational resources such as teachers or other professional staff. Another possible approach would be to focus on changes in such outputs of the educational process as cognitive achievement test scores which occurred over the course of school desegregation. This study used an approach which is characteristic of current research in the school finance field. It focused specifically on revenues which are available from state-local revenue systems and on revenues which come from the federal government. Revenues were used primarily

because data were readily available from central state sources, and secondarily because, unlike expenditures, they could be segmented by governmental source. Also, as in other school finance research, the school districts were used as units of analysis, since revenue and service data generally were not available at the sub-district, i.e. the school or pupil, level.

Several research questions provided the basis for the empirical analysis:

1) How were school districts with different racial compositions affected by state-local revenue systems before desegregation? What changes occurred in these state-local revenue patterns over the course of desegregation?

2) How were local financial support patterns affected by school desegregation? Was desegregation associated with differential impacts in school districts with different racial compositions?

3) What was the interaction between the local and state revenue systems before and after desegregation? Did state revenue patterns reinforce or compensate for differences in local revenues in districts with different proportions of minority children?

4) How did federal revenues interact with the state and local revenue system? Were federal revenues additive or substitutive in districts with high proportions of minorities? Did the impact of federal revenues change during the desegregation period?

Finally, the study was concerned with the impact of local, state and federal revenue distributions on large cities, primarily because many of them contain large minority school enrollments. The questions set out above provided the framework for a separate urban analysis.

Methodology

The research questions were approached using a quintile analysis. This type of analysis compared average revenues per pupil in districts with different proportions of minority children with state average revenues per pupil. Under this approach, school districts in a state were ranked on their proportion of minority children and divided into five groups which were based on the following racial proportions:

- Predominantly-White	0.0- 19.9%	Black
- Majority-White	20.0- 39.9%	Black
- Racially-Balanced	40.0- 59.9%	Black
- Majority-Black	60.0- 79.9%	Black
- Predominantly-Black	80.0-100.0%	Black

For each racial grouping, pupil-weighted revenue averages were calculated and compared with state average revenues per pupil to develop revenue ratios. These ratios were then used to determine the relative financial support levels for school districts with different racial compositions.

The study approached the revenue distribution issues using a series of cross-sectional comparisons. The 1968-69 school year was used to represent revenue distributions in the pre-desegregation period. (1969-70 was used in Alabama, since revenues were not apportioned back from counties to districts in the previous year.) The 1972-73 school year was used to represent financial distributions after most major desegregation had occurred. This year was, in effect, the first post-desegregation school year. Finally, the 1975-76 school year was used in the study to represent a post-desegregation year in which the desegregation process in the region was virtually completed.

Limitations of the Methodology

The approach used to assess the relationship between desegregation and financial support levels has several limitations which should be identified before the findings of the research are presented. One of them is the ecological fallacy. Ideally, a study of differences in educational revenues or resources should make comparisons among individual students, or at a less disaggregated level, among classes or schools. Since data unavailability often precludes this level of analysis, school districts must be used for comparative purposes. This type of analysis, however, assumes that every student within the district receives the average level of revenue or educational service for the district

as a whole, even though this assumption may not reflect the actual distribution of resources within a district. As a result, the analysis could find relative equality of revenues or resources among districts when there exist wide disparities among children within districts.

A second limitation of the analysis concerns the criterion which is used for comparing resource differences among districts with different proportions of minority children. In this analysis, the principle of "equal treatment of equals" is the criterion for making judgments about differences on the revenue variables before and after desegregation. The analysis assumes that all children come to school with similar educational needs and consequently require equal resource levels. The second aspect of the criterion, "unequal treatment of unequals," which justifies extra expenditures or services for children with special educational needs, e.g., economic or educational disadvantage, physical or mental handicaps, is absent from the analysis — at least in part because it is difficult to define "how much more" service special-needs children require to address their educational problems. The result of this omission could be that the impact of a finance system on minority children which appears relatively equal is in fact unequal; the finance system might provide relative equality in revenues per pupil across school districts, but fail to provide sufficient additional resources for high-need children.

Third, an examination of revenue differences across school districts is unable to assess fully the differences in educational services across school districts. Differences in the organization of school services as well as cost differences associated with density, sparsity and other factors result in dollars purchasing different amounts of educational service in different school districts. These cost of education differences are not incorporated into the revenue comparisons. The latter can therefore only serve as a proxy for differences in educational services obtained by children in districts with different proportions of minority children and for changes in services which might result from school desegregation.

Finally, the approach used here does not purport to be a highly developed model which assesses the relative impact of school desegregation vis-a-vis other factors on fiscal behavior. It is a preliminary attempt to examine fiscal changes which occurred concurrently with desegregation and assess whether there are any consistencies in patterns of change across states. To the extent that patterns emerge, the analysis does not suggest a causal linkage between the phenomena. Rather, it suggests that desegregation may be a factor which is associated with the observed financial patterns. This analysis should therefore be reviewed as a basis for the development of more sophisticated models in the future.

The Findings

This section presents the findings of the analysis of the relationship between school desegregation and changes in school finance. The discussion is organized around the questions raised in the preceding section. Part 1 provides an overview of the racial composition of the four states in the pre-desegregation period and changes in racial enrollment patterns which accompanied desegregation. Part 2 examines the impact of the state-local finance structure on districts with different proportions of minority children as well as the impact of federal aid in the pre- and post- desegregation periods.

Minority Enrollments Before and After Desegregation

The four Southern states differed both in the total proportion of minority school enrollments as well as in the proportion of children in the five racial classifications. The highest concentration of minority children was found in Mississippi, where blacks constituted nearly half the student enrollment statewide in 1968-69 and 1974-75 and a majority of the student enrollment in 1972-73. Mississippi was followed by Louisiana and South Carolina, both of which had black enrollments of about 40 percent in both the pre- and post-desegregation periods. The lowest proportion of blacks was found in Alabama, where blacks represented about one-third of the school enrollment in pre- and post-desegregation years.

The proportion of the states' enrollments in majority-black and predominantly-black districts followed the racial enrollment patterns for each of the individual states quite closely. The state with the highest proportion of children in majority-black and predominantly-black districts was Mississippi, where the two groups comprised between 23 and 27 percent of the state's enrollment. Louisiana followed with 15-16 percent, South Carolina with 10-11 percent, and finally, Alabama, with 6-8 percent of the state's enrollment in majority-black and predominantly-black districts. In three of the states, Louisiana, Mississippi and South Carolina, the larger proportion of children were in the majority-black group; in South Carolina, only about 1 percent of the pupils were in the predominantly-black group, and in Louisiana, there were no districts in this racial grouping. Only in Alabama were the two groups roughly comparable in size, each with just over 3 percent of the state's enrollment. (See Table 1)

Two enrollment trends in the four states over the desegregation period are significant in terms of their potential influence on financial support in districts with different racial compositions. First, the proportion of children in the majority-white and predominantly-white districts increased over the period, while the proportion of children in the racially-balanced group, and the majority-black and predominantly-black groups showed consistent declines between 1968-69 and 1975-76. This resulted from the relatively greater losses in student enrollments in more heavily black districts in the region. In three of the four states, including Alabama, Mississippi and South Carolina, the enrollment declines in these districts included black as well as white students. However, in all four states, the change in the latter was much more dramatic. In majority-black districts, losses in white enrollments between 1968-69 and the mid-1970's ranged from a low of 32 percent in Alabama to a high of 50 percent in Mississippi; among predominantly-black districts, they ranged from 31 percent in South Carolina to 75 percent in Mississippi. (See Table 2.) As a result of these enrollment changes, many school districts which were classified as majority-black in the pre-desegregation period

Table 1

Percent of School Enrollments by Racial Classfication

Classificatio of School District in 1968-69	Alabama			Mississippi			Louisiana			South Carolina		
	1969-70	1972-73	1975-76	1968-69	1972-73	1974-75	1968-69	1972-73	1975-76	1968-69	1972-73	1975-76
Predominantly-White (9.0-19.9% Black)	26.0%	28.7%	29.2%	9.5%	12.2%	11.7%	9.6%	10.7%	10.9%	9.4%	11.2%	12.0%
Majority-White (20.0-39.9% Black)	38.0	38.7	38.5	18.8	20.0	21.7	47.3	49.6	50.7	38.2	39.4	39.9
Racially-Balanced (40.0-59.9% Black)	28.3	26.6	25.8	44.4	44.3	43.5	26.5	24.4	23.6	41.4	39.7	38.4
Majority-Black (60.0-79.9% Black)	4.0	3.6	3.4	19.8	17.0	16.7	16.6	15.4	14.9	9.9	8.8	8.7
Predominantly-Black (80.0-100.0% Black)	3.7	3.3	3.1	7.5	6.5	6.4	0.0	0.0	0.0	1.1	1.0	1.0
State Percent Black Enrollment	33.5	33.9	33.7	48.4	54.4	49.8	39.9	40.6	40.5	40.1	40.9	41.2

Table 2

Enrollment Changes in School Districts With Different Racial Compositions, 1968-69 to 1975-76

	Predom White	Majority White	Racially Balanced	Majority Black	Predom Black	State Average
Change in White Enrollment 1968-69 to 1972-73						
Alabama*	+ 4.5%	- 5.7%	-17.5%	-28.1%	-53.3%	- 5.5%
Louisiana**	+ 9.9	+ 2.0	-18.1	-30.7		- 4.5
Mississippi	+ 5.3	-10.8	-24.9	-52.0	-77.9	-20.6
South Carolina	+17.1	- 1.0	-14.6	-32.9	-39.6	- 5.1
1968-69 to 1975-76						
Alabama*	+ 3.2%	- 5.5%	-24.5%	-32.1%	-62.6%	- 7.5%
Louisiana**	+10.4	+ 3.2	-21.3	-42.2		- 5.6
Mississippi	+ 7.1	+ 4.1	-21.1	-49.8	-75.0	-14.5
South Carolina	+21.3	- 3.8	-22.7	-36.4	-30.8	- 9.0

* 1969-70 to 1972-73 and 1975-76
**1969-70 to 1972-73 and 1974-75

became predominantly-black in the post-desegregation years, and several predominantly-black districts became 100 percent minority districts.

The second enrollment trend was in evidence in the states' major cities. In the period between 1968-69 and 1975-76, all of the cities with a 1970 population of over 100,000 except Baton Rouge showed significant declines in their school enrollments. In some of the largest cities, including New Orleans. Birmingham, Jackson, and Columbia (South Carolina), enrollment losses exceeded 15 percent of the 1968-69 school populations. As a result of the decline, the proportion of minorities in city districts rose significantly, since the loss of students tended to be concentrated in the white school population. Jackson, Birmingham and Columbia, for example, lost 60 percent, 43 percent and 43 percent of their respective white school populations between 1968-69 and the mid-1970's and changed from racially-balanced school districts to majority-black districts; New Orleans, which lost nearly 50 percent of its white enrollment during the period, went from a majority-black to a predominantly-black district. Other large cities also reflected the enrollment trend, although in most cases the changes were less dramatic than in the largest cities. (See Table 3)

Changes in Financial Support Over the Period of School Desegregation

This section examines the changes in financial support in districts with different proportions of minority children during the period of school desegregation. The trends presented here should not be viewed as causative. If, in a particular state, relative financial support declined during the period, this should not be interpreted to mean that desegregation was responsible for the financial changes which occurred. The influence of other demographic factors, economic trends (both national and in-state) and political developments would preclude the drawing of such a simplistic conclusion. Nonetheless, the simultaneous occurrence of desegregation and financial change (particularly at the local level) do suggest that the two phenomena may be related, even though the specific linkages between them are imperfectly delineated.

Table 3

Enrollment Changes in Cities With
1970 Population Over 100,000
(Alabama, Louisiana, Mississippi, South Carolina)

City	Percent Black Enrollment 1968-69	1972-73	1975-76	Change in Percent White Enrollment: 1968-69 to 1972-73	1968-69 to 1975-76
Mississippi					
Jackson	46.4%	66.0%	69.4%	-51.2%	-59.1%
Louisiana					
Baton Rouge	36.9	39.0	38.8	+ 6.6%	+ 3.3%
New Orleans	67.1	74.9	80.0	-28.9	-48.5
Shreveport	43.6	50.1	51.4	-24.0	-28.1
South Carolina					
Columbia	46.1	55.8	61.2	-27.2	-43.0
Alabama					
Birmingham	52.5	59.1	65.6	-25.0	-42.9
Huntsville	11.9	15.7	19.7	- 5.5	-17.1
Mobile	40.8	45.3	43.5	-15.0	-12.5
Montgomery	42.7	45.8	48.6	-10.8	-17.6

The results of the analysis are presented in two parts. The first part examines aggregate support levels for all school districts in each of the four states, using the racial classification scheme described in an earlier section. It presents changes in revenues from state-local and federal sources in districts with different racial compositions over the desegregation period. The second focuses specifically on the financial position of the states' largest cities, several of which contain high concentrations of minority children. Again revenues by source and changes in revenue ratios are examined over the course of the desegregation period.

Statewide Trends: Impact of the State-Local Revenue Structure

How were children in majority-black and predominantly-black school districts affected by state school finance arrangements before and after school desegregation? Did school desegregation result in a relative reduction in financial support levels in school districts with large concentrations of minority children? Table 4 which presents state-local revenue ratios in districts with different proportions of minorities suggests three patterns in the four Southern states:

1) Lower support levels in majority-black and predominantly-black districts.
2) Relative equality among all racial groups.
3) Higher support levels in majority-black districts.

South Carolina and Alabama reflected the first pattern of financial support in majority-black and predominantly-black districts. In both states, state-local revenues per pupil in these racial groups were below average in the pre-desegregation period and further below average by the end of the period. In South Carolina, for example, state-local revenues in the majority-black group declined from 89 percent of the state average in 1968-69 to 87 percent in 1972-73 and to 82 percent in 1975-76. In the predominantly-black group, the decline was from 73 percent to 70 percent to 68 percent in each of the above years. In Alabama, there was a decline in relative support levels in these racial groups in the early part of the period (1969-70 to 1972-73), but an

Table 4

State-Local Revenue Ratios
1968-69 to 1975-76

1968-69	(1969-70) Alabama	Louisiana	Mississippi	South Carolina
Predominantly-White	1.02	0.95	0.96	1.06
Majority-White	1.01	0.96	0.98	1.06
Racially-Balanced	0.97	0.95	1.04	0.97
Majority-Black	0.93	1.25	0.96	0.89
Predominantly-Black	0.90	(1.16)	0.96	0.73
1972-73				
Predominantly White	1.02	1.05	0.93	1.01
Majority-White	1.03	0.96	0.96	1.03
Racially-Balanced	0.98	1.00	1.07	1.01
Majority-Black	0.88	1.09	0.95	0.87
Predominantly-Black	0.85	(0.99)	0.92	0.70
1975-76			(1974-75)	
Predominantly-White	1.02	0.95	0.93	1.09
Majority-White	1.02	0.99	0.95	1.04
Racially-Balanced	1.01	0.99	1.06	0.98
Majority-Black	0.91	1.08	0.96	0.82
Predominantly-Black	0.90	(0.98)	0.93	0.68

increase in the latter years (1972-73 to 1975-76). Thus, at the end of the desegregation period, state-local revenues per pupil were only slightly lower than in the pre-desegregation years.

The second pattern of financial support, i.e., relative equality among racial groups, was found in Mississippi in both the pre- and post-desegregation periods. In the three years examined in the study, state-local revenue ratios in all racial groups except the "racially-balanced" group were slightly below average. In majority-black districts, the ratio was consistently 95-96 percent of average, and in the predominantly-black districts the ratio ranged from 96 percent in the pre-desegregation period (1968-69) to 93 percent at the end of the desegregation period. (1974-75).

Finally, the third pattern of state-local financial support, i.e., higher revenue levels in majority-black districts, was found in Louisiana. Here, however, the relative advantage of this racial group tended to decline over the desegregation period from 125 percent of the state average in 1968-69 to 108 percent in 1975-76. It should be noted that revenue averages in the majority-black group were strongly influenced by the presence of New Orleans, with its relatively large student enrollments. Without New Orleans, the revenue advantage of the majority-black group in the pre-desegregation period (116 percent of the state average in 1968-69) was eliminated over the desegregation years. At the end of the period, the revenue ratio in this group was around the state average (98 percent of average in 1975-76). Revenues in all racial groups were therefore nearly equal.

Changes in Local and State Support During Desegregation

The patterns of state-local financial support described previously resulted from the interaction of revenues from local and state sources and from changes in the local-state interactions over the desegregation period. This section examines each of the revenue sectors independently and then reviews their interactive effects.

Local revenues per pupil in three of the four Southern states included in this study tended to be below average in the period before desegregation and to decline over the course of the desegregation period. (See Table 5.) The difference in support levels between majority-black and predominantly-black districts and other racial groups was most pronounced in two states: South Carolina and Alabama. In the former, local revenues per pupil in majority-black districts were 68 percent of the state average in 1968-69 but only 59 percent of average in 1975-76. In predominantly-black districts, revenue ratios were even lower: 47 percent in 1968-69 and 40 percent in 1975-76. Revenue ratios also tended to show a linear decline as the proportion of blacks in a school district increased. Similarly in Alabama, local revenue ratios declined in majority-black and predominantly-black districts over the desegregation period, with the decline most pronounced in the predominantly-black group. Here, revenues which were 39 percent of the state average in 1969-70 were only 30 percent of average in 1975-76.

A slightly different pattern of local support was evident in Mississippi. Here, local revenue levels in majority-black and predominantly-black districts — while below average — were not significantly different from support levels in majority-white and predominantly-white districts. All racial groups except the racially-balanced group were below average in local revenues, both before and after major school desegregation. In short, local revenue patterns remained fairly stable throughout the desegregation period.

Louisiana represents the one state which deviated from the pattern of lower local financial support in majority-black districts. In this state, local revenues were significantly above the state average. However, the relative revenue advantage of this group did tend to decline over the desegregation period — from 175 percent of the state average in 1968-69 to 142 percent in 1972-73 and to 131 percent in 1975-76. Again, it should be noted that averages for the majority-black group were strongly influenced by the relative position of New Orleans, a large urban district with above-average revenues. Without New Orleans, the pattern of local support in Louisiana was similar to

Table 5

Local Revenue Ratios
1968-69 to 1975-76

	(1969-70) Alabama	Louisiana	Mississippi	South Carolina
1968-69				
Predominantly-White	1.02	0.97	0.81	1.14
Majority-White	1.11	0.93	0.90	1.16
Racially-Balanced	0.93	0.73	1.19	0.92
Majority-Black	0.53	1.75	0.84	0.68
Predominantly-Black	0.38	(0.54)	0.81	0.47
1972-73				
Predominantly-White	1.06	0.97	0.77	1.09
Majority-White	1.11	0.96	0.89	1.07
Racially-Balanced	0.96	0.83	1.23	1.00
Majority-Black	0.52	1.42	0.83	0.65
Predominantly-Black	0.36	(0.53)	0.73	0.41
1975-76			(1974-75)	
Predominantly-White	1.03	0.94	0.72	1.26
Majority-White	1.	1.00	0.88	1.06
Racially-Balanced	1.06	0.86	1.25	0.96
Majority-Black	0.53	1.31	0.82	0.59
Predominantly-Black	0.31	(0.64)	0.74	0.40

patterns found in other states. Revenue ratios in majority-black districts were below average in the three years examined in this study, although the relative position of this group improved over the desegregation period. Local revenues which were 54 percent of the state average in 1968-69 were 64 percent of average by 1975-76.

State revenues, in contrast, tended to be distributed more equally than local revenues in three of the four Southern states. (See Table 6.) In Mississippi, there was relative equality in revenues among racial groups in the years before and after desegregation. In Alabama, majority-black and predominantly-black districts had a slight state revenue advantage in 1969-70, but this advantage remained only for the predominantly-black group by 1975-76; all other groups were within 3 percent of the state average. In South Carolina, there was relative equality among four of the groups; the one exception was the predominantly-black group which was consistently between 10 and 15 percent below the state average in state revenues in both the pre- and post-desegregation periods.

Louisiana again represented an exception to the pattern. In the pre-desegregation year (1968-69), state revenues per pupil tended to increase slightly as the proportion of blacks in the district increased, while in the post-desegregation years (1972-73 and 1975-76), the relationship between percent black and state revenues per pupil was less evident. The position of the majority-black group also changed during this period, with state revenues per pupil going from 104 percent of average in 1968-69 down to 96 percent in 1972-73 and up to 99 percent in 1975-76. The same trend was evident when New Orleans was excluded from the majority-black group. State revenues were consistently above average before and after desegregation, although the revenue advantage decreased from 143 percent of the state average in 1968-69 to 118 percent in 1972-73 and to 112 percent in 1975-76.

The interactive effects of state and local revenues per pupil in majority-black and predominantly-black districts can essentially be summarized in the following way for

Table 6

State Revenue Ratios
1968-69 to 1975-76

1968-69	(1969-70) Alabama	Louisiana	Mississippi	South Carolina
Predominantly-White	1.02	0.95	1.04	1.01
Majority-White	0.99	0.98	1.01	1.01
Racially-Balanced	0.98	1.04	0.97	0.99
Majority-Black	1.07	1.04	1.02	1.00
Predominantly-Black	1.08	(1.43)	1.04	0.86
1972-73				
Predominantly-White	1.00	1.08	1.01	0.96
Majority-White	1.00	0.97	0.99	1.00
Racially-Balanced	0.99	1.06	0.99	1.01
Majority-Black	1.02	0.96	1.01	1.01
Predominantly-Black	1.02	(1.18)	1.01	0.89
1975-76			(1974-75)	
Predominantly-White	1.01	0.96	1.03	0.98
Majority-White	0.99	0.99	0.99	1.02
Racially-Balanced	0.99	1.05	0.99	1.00
Majority-Black	1.03	0.99	1.03	0.99
Predominantly-Black	1.08	(1.12)	1.01	0.88

three of the Southern states, namely Alabama, South Carolina and Mississippi: local revenues per pupil were below average; state revenues were at or above the state average, but were insufficient to offset revenue disadvantages from local sources; consequently, in combination, they produced below average state-local revenues per pupil. One exception to the pattern was the predominantly-black group in South Carolina. In this group, state revenues reinforced disparities in local revenues, since these revenues were also below the average for the state.

The state which presents an exception to the above pattern of state-local revenue interaction was again Louisiana. Here, higher local revenues combined with average or slightly below average state revenues to produce above average state-local revenues per pupil. However, without New Orleans, the pattern for the majority-black group was more similar to the other three states. Local revenues were below average and state revenues were above average, although in this case, the latter were sufficient to provide average or above average state-local revenues per pupil.

The Impact of Federal Revenues on the State-Local System

While federal education programs are intended to accomplish a range of educational purposes, many programs, including a major program such as Title I of the Elementary and Secondary Education Act (ESEA) are designed to supplement resources which are routinely provided from state and local funds. How did these revenues provided by the federal government affect school districts with different proportions of minority children? Did the impact of federal revenues change during the period of major school desegregation? Table 7 demonstrates the effects of federal revenues on school districts with different proportions of minorities in the pre- and post-desegregation periods.

In both pre- and post-desegregation years, federal revenues were significantly higher in school districts with predominantly-black and majority-black student enrollments than in districts with higher proportions of white children. In the

Table 7

Federal Revenue Ratios
1968-69 to 1975-76

1968-69	(1969-70) Alabama	Louisiana	Mississippi	South Carolina
Predominantly-White	1.04	0.84	0.96	0.52
Majority-White	0.81	0.86	0.72	0.74
Racially-Balanced	1.01	1.19	0.80	1.26
Majority-Black	1.55	1.23	1.44	1.29
Predominantly-Black	2.06	(2.05)	1.94	1.76
1972-73				
Predominantly-White	0.94	0.77	0.90	0.55
Majority-White	0.84	0.79	0.78	0.86
Racially-Balanced	1.06	1.31	0.90	1.08
Majority-Black	1.62	1.35	1.25	1.77
Predominantly-Black	2.15	(2.23)	1.85	1.43
1975-76				
Predominantly-White	0.74	0.76	0.77	0.60
Majority-White	0.90	0.81	0.82	0.82
Racially-Balanced	1.25	1.23	0.95	1.15
Majority-Black	1.60	1.47	1.28	1.67
Predominantly-Black	2.01	(1.32)	1.69	1.48

predominantly-black groups, federal revenue ratios ranged from a high of over 200 percent of the state average in Alabama to between 169 percent and 194 percent of average in Mississippi to 173 percent to 143 percent of the state average in South Carolina. In the majority-black group, revenue ratios tended to be slightly lower; the range was from a high of 177 percent of the state average in South Carolina in 1972-73 to a low of 123 percent in Louisiana in 1968-69.

Over the desegregation period, the relative advantage in federal revenues for these groups did show some differences in the four states. In Alabama, federal revenue ratios were fairly constant before and after desegregation; in Mississippi and in the predominantly-black group in South Carolina, ratios tended to show a slight decline; while in Louisiana and in the majority-black group in South Carolina, there tended to be an increase in federal revenue ratios over the desegregation period.

How did federal revenues interact with the state-local revenue system before and after desegregation? Essentially federal revenues could have three different effects. They could be: 1) Totally Additive; 2) Partially Additive; and 3) Totally Replacive. For this discussion, these terms describe the following situations. Federal revenues are "totally additive" when they increase the revenue advantage which majority-black and predominantly-black districts already have from state and local revenues alone. Federal revenues are "partially additive" when they bring majority-black and predominantly-black districts up to state-local revenue levels found in other racial groups and then create a revenue advantage in these districts. Finally, federal revenues are "totally replacive" or "totally substitutive" when they bring revenues in these districts up to levels found in other racial groups from state-local revenues alone.

Federal revenues had each of these effects in the four Southern states. In Louisiana, federal revenues were totally additive both in the pre- and post-desegregation years; with the addition of federal revenues, majority-black districts increased the revenue advantage they already had from the state-local finance system. In Mississippi,

Table 8

Total Revenue Ratios
1968-69 to 1975-76

1968-69	(1969-70) Alabama	Louisiana	Mississippi	South Carolina
Predominantly-White	1.02	0.95	0.96	0.97
Majority-White	0.98	0.95	0.93	1.01
Racially-Balanced	0.98	0.97	1.00	1.01
Majority-Black	1.04	1.25	1.05	0.96
Predominantly-Black	1.10	(1.23)	1.14	0.94
1972-73				
Predominantly-White	1.01	1.03	0.93	0.94
Majority-White	1.00	0.95	0.92	1.00
Racially-Balanced	0.99	1.02	1.04	1.02
Majority-Black	0.99	1.11	1.01	1.01
Predominantly-Black	1.04	(1.08)	1.10	0.82
1975-76			(1974-75)	
Predominantly-White	0.98	0.93	0.91	1.00
Majority-White	1.00	0.97	0.93	1.00
Racially-Balanced	1.04	1.02	1.05	1.01
Majority-Black	1.00	1.12	1.01	0.98
Predominantly-Black	1.04	(1.02)	1.05	0.83

federal revenues were partially additive in majority-black and predominantly-black districts in the pre- and post-desegregation periods. However, in both states, the relative additivity of federal revenues declined over the desegregation years. In the majority-black group in Louisiana, total revenue ratios declined from 125 percent of the state average in 1968-69 to 112 percent in 1975-76; in Mississippi, the decline was from 105 percent of average in 1968-69 to 101 percent in 1974-75. Also, in the predominantly-black group in Mississippi, there was a decline from 114 percent to 105 percent over this same period.

In Alabama, federal revenues had two effects. In predominantly-black districts, they were partially additive in the pre-desegregation year and the post-desegregation years, although, as in Mississippi and Louisiana, the total revenue advantage of this group declined over the period from 110 percent of the state average in 1969-70 to 103 percent in 1975-76. In majority-black districts, the effect of federal revenues changed from partially additive to totally replacive. Total revenue ratios declined from 104 percent in 1969-70 to 99 percent in 1972-73 and 1975-76.

Finally, in South Carolina, federal revenues tended to be totally replacive in both the majority-black and predominantly-black groups before and after desegregation. (The one exception was in the majority-black group, where federal revenues were partially additive in 1972-73.) Here too, as in the three other Southern states, the additive effect of federal revenues showed some decline — at least in the predominantly-black districts — during the desegregation years. Total revenue ratios in these districts declined from 94 percent of the state average in 1968-69 to 83 percent in 1975-76. In sum, the financial position of predominantly-black districts in South Carolina was below average before desegregation and declined even further over the desegregation years.

The Financial Position of Cities

Financial support patterns in the major cities in the four Southern states were similar to those in large urban areas in the nation at large. State-local revenues per

pupil were average or above average in seven of the nine largest cities in the pre-desegregation period and in eight of the nine in the post-desegregation years. The only exception to the pattern was Montgomery, where state-local revenues were 12-15 percent below average in both the pre- and post-desegregation period. Most of the other cities either maintained or increased their relative revenue advantage over the course of school desegregation.

The source of the cities' revenue advantage was largely found in the local sector. (See Table 9) Local revenues per pupil were above average in all cities except Montgomery in the pre-desegregation year and tended to increase over the desegregation period. State revenues, on the other hand, tended to be below average in almost all cities, in both the pre- and post-desegregation years. However, the relative advantage in local revenues was sufficient to maintain a revenue advantage from state and local sources combined. (See Table 10.)

In contrast with the state and local revenue sectors, federal revenue patterns showed a significant change over the desegregation period. Pre-desegregation, federal revenues per pupil were below average in all large cities except Huntsville. By 1972-73, federal revenues were above average in Jackson and New Orleans, but still below average in the other major cities. However, by 1975-76, all of the cities had increased their relative revenue position to the point where all except Baton Rouge and Shreveport were above average in federal revenues. In short, over the desegregation period, the largest Southern cities generally went from below average to above average in federal revenues per pupil.

The changes in federal revenues produced a shift in the total revenue position of cities vis-a-vis other districts. In the pre-desegregation period, the cities had quite diverse total revenue patterns. Nearly half of them were either slightly below or below average, while only two cities, Jackson and New Orleans, were more than 15 percent above average. During the desegregation period, all of the cities increased their relative

Table 9

Position of Major Cities on State-Local Revenues 1968-69 to 1975-76

	1968-69	1972-73	1975-76
Jackson	1.29	1.44	1.45
Baton Rouge	1.04	1.01	1.11
New Orleans	1.17	1.12	1.11
Shreveport	0.95	1.11	1.08
Columbia	1.06	1.32	1.30
Birmingham	1.00	1.05	1.15
Huntsville	0.92	0.98	1.05
Mobile	0.97	1.01	1.00
Montgomery	0.85	0.88	0.87

Table 10

Local Revenues 1968-69 to 1975-76

	1968-69	1972-73	1975-76
Jackson	2.17	2.38	2.66
Baton Rouge	1.27	1.32	1.43
New Orleans	1.93	1.68	1.52
Shreveport	1.05	1.29	1.30
Columbia	1.04	1.71	1.69
Birmingham	1.28	1.29	1.70
Huntsville	1.10	1.05	1.30
Mobile	1.20	1.19	1.18
Montgomery	0.70	0.67	0.57

.90 and lower = Below Average
.91 to .94 = Slightly Below Average
.95 to 1.05 = Average
1.06 to 1.09 = Slightly Above Average
1.10 and above = Above Average

Table 11

Position of Major Cities on Federal Revenues
1968-69 to 1975-76

	1968-69	1972-73	1975-76
Jackson	0.53	0.96	1.12
Baton Rouge	0.40	0.34	0.66
New Orleans	0.88	1.09	1.52
Shreveport	0.75	0.79	0.80
Columbia	0.84	0.61	1.05
Birmingham	0.69	0.75	1.18
Huntsville	1.51	1.22	1.19
Mobile	0.68	0.81	1.18
Montgomery	0.84	0.84	1.28

Table 12

Total Revenues 1968-69 to 1975-76

	1968-69	1972-73	1975-76
Jackson	1.15	1.34	1.40
Baton Rouge	0.99	0.96	1.06
New Orleans	1.15	1.12	1.15
Shreveport	0.94	1.09	1.05
Columbia	1.03	1.24	1.25
Birmingham	0.95	1.00	1.15
Huntsville	1.02	1.01	1.07
Mobile	0.92	0.98	1.02
Montgomery	0.85	0.87	0.92

position in total revenues. Thus by the mid-1970's, all except Montgomery were above average and four of the nine, including those with the highest proportions of black students, i.e., Jackson, New Orleans, Columb and Birmingham, were more than 15 percent above average. In other words, federal revenues had an increasingly additive effect.

Summary and Conclusions

An assessment of the "effects" of school desegregation on financial patterns must be considered within the general context of each state's school finance structure. State finance systems differ in several respects: the proportion of funds generated from state and local sources; the level of required local financial support; differences in local wealth; the amount of funds which localities can provide above state-defined service levels; and the structure of state general and categorical aid formulas. Given these differences among the states, one would not expect to find absolute consistency in the impact of desegregation to be the same in all jurisdictions. Nonetheless, there are some similarities among the four states which can be observed.

First, it is clear that there is some relationship between desegregation and local support for the public schools in heavily-black school districts. In all four states, local revenue ratios in majority-black and predominantly-black districts declined over the course of the desegregation period. This occurred in a state like Louisiana, where revenue ratios were above average in the pre-desegregation period, and in states such as Alabama and South Carolina, where revenue ratios were below average even before desegregation. Changes in local support patterns would, of course, be consistent with expectations about fiscal responses to desegregation, since it is at the local level where the critical decisions about taxing and spending are made. A protest against desegregation could be registered by reduced local financial support for the public schools.

These changes had a significant influence on overall state-local support levels in majority-black and predominantly-black districts, since state revenue patterns remained fairly consistent across racial groupings in the pre- and post-desegregation periods. As a result of shifts at the local level, state-local revenue ratios in heavily-black districts showed continuous declines in Louisiana and South Carolina. Similarly, in Alabama and Mississippi, changes in state-local revenue ratios over the course of school desegregation tended to parallel local revenue changes quite closely. The only exception to the pattern was in the predominantly-black group in Alabama, in which local revenue ratios showed a continuous decline, but higher state revenue ratios at the end of the desegregation period offset this and resulted in an increase in state-local revenue ratios.

A second similarity among the states was in the financial support patterns among cities. During the course of the desegregation period, the relative financial position of almost all of the large cities in the four states showed some improvement. This, in large measure was due to relative improvements in the local revenue sector, although increases in federal revenue ratios also contributed to this change. As a result of the increase in the latter sector, federal revenues had an increasingly additive effect in these cities as the desegregation period progressed.

It is of course difficult to isolate a single factor which was responsible for the changes in financial support patterns which occurred during this period. Factors besides school desegregation clearly influence local and state decision-making on financial issues and federal policy decisions are tied to a broad range of other considerations. Nonetheless, school desegregation was one of the most significant events in education in the past quarter century and one may have been linked to concurrent financial change.

Notes

1/ The few studies which have examined the relationship between school desegregation and financial support of the public schools include: Joel D. Sherman, "Underfunding of Majority-Black School Districts in South Carolina, School Finance Project, Lawyers' Committee for Civil Rights Under Law, (Washington, D.C., October, 1977); Joel D. Sherman, "Financing Local Schools: The Impact of Desegregation," Policy Studies Journal, 7 (Summer, 1979), pp. 701-707; Christine H. Rossell, "School Desegregation and Electoral Conflict," in The Polity of the School, Frederick M. Wirt, ed., (Lexington Books: 1975); Christine H. Rossell, "School Desegregation and Community Social Change, "School Desegregation Lessons of the First Twenty-Five Year," Law and Contemporary Problems, Duke University School of Law, Durham, N.C., Summer, 1978 pp. 133-183.

Appendix - Table 1

Alabama School Finance: Percent Black Enrollment	% Black	AVA	Rank on 1965-66 Lcl/ADA	State/ADA	St-L/ADA	Fedl/ADA	Totl/ADA
1969-70							
Predominantly-White	9.0%		$105.23	$310.72	$415.95	$ 85.19	$501.14
Majority-White	30.4		112.20	301.26	413.46	66.11	479.57
Racially-Balanced	48.3		95.87	301.03	396.90	82.64	479.54
Majority-Black	69.9		54.94	327.38	382.32	126.72	509.04
Predominantly-Black	84.5		38.97	330.02	368.99	169.25	538.24
State	33.5		$103.06	$305.84	$408.90	$ 81.87	$490.77
1972-73							
Predominantly-White	9.5%		$143.12	$370.06	$513.18	$ 85.24	$598.42
Majority-White	30.7		150.95	368.33	519.28	75.77	595.05
Racially-Balanced	52.3		130.43	365.26	495.69	95.58	591.27
Majority-Black	74.5		69.97	374.90	444.87	146.67	591.54
Predominantly-Black	91.7		48.50	377.58	426.08	194.70	620.78
State	33.9		$135.62	$368.46	$504.08	$ 90.76	$594.84
1975-76							
Predominantly-White	9.9%	$6490	$192.33	$596.74	$789.07	$ 83.57	$872.64
Majority-White	30.1	7880	206.81	582.40	789.21	101.88	891.09
Racially-Balanced	53.9	6500	198.17	583.49	781.66	140.80	922.46
Majority-Black	73.9	5370	99.44	606.04	705.88	181.09	886.97
Predominantly-Black	92.6	6040	57.64	638.63	696.27	226.62	922.89
State	33.7	6960	$187.08	$589.56	$776.64	$113.43	$890.03

Appendix - Table 2

Louisiana School Finance: Rank on 1968-69 Percent Black Enrollment

	% Black	AVA	Lcl/ADA	State/ADA	St-L/ADA	Fedl/ADA	Totl/AD
1968-69							
Predominantly-White	14.7%	$4647	$146.86	$333.01	$479.87	$ 33.72	$513.59
Majority-White	29.5	5517	141.82	342.25	484.07	34.21	518.28
Racially-Balanced	47.3	5805	111.02	365.27	476.29	47.79	524.08
Majority-Black	66.6	11,023	266.34	362.97	629.31	49.19	678.50
Predominantly-Black	(65.2)	(4745)	(82.71)	(501.46)	(584.17)	(82.14)	(666.31
State Average	39.0	$6311	$152.13	$350.58	$502.71	$ 40.01	$542.72
1972-73							
Predominantly-White	14.2%	$6592	$221.82	$591.01	$812.83	$ 44.45	$857.28
Majority-White	30.0	6753	219.71	529.46	749.17	45.69	794.86
Racially-Balanced	47.9	8172	189.23	584.28	773.51	76.06	849.57
Majority-Black	74.5	12,751	322.89	526.41	849.30	78.25	927.55
Predominantly-Black	(73.2)	(5992)	(120.22)	(649.17)	(769.39)	(129.67)	(899.06
State Average	40.6	$7998	$227.88	$548.66	$776.54	$ 58.08	$834.62
1975-76							
Predominantly-White	14.5%	$5932	$293.75	$719.97	1013.72	$ 91.05	1104.77
Majority-White	29.8	6857	311.40	745.20	1056.60	97.03	1153.63
Racially-Balanced	51.8	7888	267.74	789.63	1057.37	147.17	1204.54
Majority-Black	77.7	10,774	408.99	744.24	1153.23	174.95	1328.18
Predominantly-Black	(70.9)	(5871)	(199.12)	(846.74)	(1045.86)	(157.22)	(1203.0
State Average	40.5	7476	312.44	753.07	1065.51	119.32	1184.83

Appendix - Table 3

Mississippi School Finance: Rank on 1969 Percent Black Enrollment

	% Black	AVA	Tax Rate	Lcl/ADA	St/ADA	St-L/ADA	Fed/ADA	Totl/ADA
1968-69								
Predom-White	12.1%	$3965	$25.07	$110	$288	$ 398	$ 89	$487
Majority-White	29.8	4376	24.90	122	281	403	67	470
Racially-Bal	48.7	5963	24.75	160	269	429	74	504
Majority-Black	70.7	4082	24.65	113	284	397	134	531
Predom-Black	84.7	3744	25.11	109	289	397	180	578
State Average	48.4%	4944	24.81	135	278	413	93	506
1970-71								
Predom-White	13.2%	$4097	$25.14	$118	$321	$ 439	$135	$574
Majority-White	29.2	4916	24.65	133	316	449	131	580
Racially-Bal	52.6	7627	24.16	193	315	508	153	661
Majority-Black	80.7	5370	23.07	132	334	466	245	711
Predom-Black	94.8	4683	22.50	121	311	433	331	764
State Average	51.1%	6072	24.07	157	319	475	175	650
172-73								
Predom-White	15.8%	$4803	$24.96	$141	$376	$ 517	$122	$640
Majority-White	37.5	5856	24.82	163	368	531	106	637
Racially-Bal	56.1	8895	24.26	225	369	594	123	717
Majority-Black	81.9	6333	22.99	152	374	526	170	696
Predom-Black	95.7	5223	22.14	133	376	509	251	760
State Average	54.4%	7087	24.11	183	371	554	136	690

Appendix - Table 4

South Carolina School Finance:	% Black	AVA	Rank on 1968-69 Lcl/ADA	State/ADA	Percent Black Enrollment St-L/ADA	Fedl/ADA	Totl/AD
1968-69							
Predominantly-White	14.1%	$2154	$137.38	$231.58	$368.96	$ 35.25	$404.21
Majority-White	29.3	1999	139.12	230.36	369.48	49.53	419.01
Racially-Balanced	47.8	1902	110.38	227.07	337.45	84.77	422.22
Majority-Black	69.7	1488	81.98	228.39	310.37	87.14	397.51
Predominantly-Black	85.6	722	57.08	196.11	253.19	118.45	371.64
State Average	40.1	1914	$120.39	$228.53	$348.92	$ 67.31	$416.23
1972-73							
Predominantly-White	12.4%	$2679	$240.54	$321.30	$561.84	$ 57.04	$618.88
Majority-White	29.3	2712	236.70	335.35	572.05	89.57	661.62
Racially-Balanced	51.5	2676	220.50	339.20	559.70	113.12	672.82
Majority-Black	75.9	2295	142.94	339.93	482.87	185.14	668.01
Predominantly-Black	89.8	1574	90.54	299.98	390.52	149.42	539.94
State Average	40.9	$2645	$220.84	$335.35	$556.19	$104.41	$660.60
1975-76							
Predominantly-White	12.6%	$3756	$439.35	$489.13	$928.48	$117.56	$1046.0
Majority-White	29.7	3280	369.68	509.27	878.95	160.55	1039.5
Racially-Balanced	53.0	3446	334.08	498.64	832.72	224.40	1057.1
Majority-Black	76.1	2688	203.55	495.05	698.60	326.98	1024.8
Predominantly-Black	88.4	2156	104.58	439.26	579.84	290.45	870.2
State Average	41.2	$3338	$347.51	$500.78	$848.29	$195.74	$1044.0